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SENSITIVE
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DEPT. FOR PM/DTCC:BLUE LANTERN COORDINATOR

E.O. 12958: N/A
TAGS: [KOMC](#) [ETTC](#) [PE](#)
SUBJECT: PERU RESPONSE: BLUE LANTERN LEVEL 3: POST-SHIPMENT
END-USE CHECK ON LICENSE 050130006

REF: SECSTATE 33683

¶1. (SBU) Summary: Poloff carried out reftel end-use check April 22. Available evidence indicated Armaq received ONLY .223 caliber ammunition and NOT/NOT 5.56mm ammunition under the subject license. The discrepancy appears to arise from the view of Armaq, the Peruvian Government (GOP), and other sources that .223 caliber and 5.56mm rounds are one and the same. Poloff suggested that Armaq in the future specify only ".223 caliber" (as opposed to ".223 caliber/5.56mm") in its purchase orders and import license requests, so as to avoid further confusion. Company representatives agreed to do so, but recommended USG notification to foreign governments and importers that U.S. law prohibits export of 5.56mm rounds. End Summary.

¶2. (SBU) Poloff carried out reftel end-use check May 22. Armaq S.A. is a reputable retailer of hunting and fishing equipment in Lima. The company was established in 1989. Armaq also sells weapons and ammunition to a number of licensed security firms in Peru. Armaq General Manager Luis Guerra was completely helpful and forthcoming during poloff's visit to Armaq's headquarters in Lima. Other sources contacted, including Post's Foreign Commercial Service Office, Regional Security Office, and DEA Country Office (which uses Armaq's on-site firing range for periodic requalification purposes) all confirmed Armaq's bona fides.

¶3. (SBU) Available evidence indicated that Armaq S.A. received only .223 caliber ammunition and NOT/NOT 5.56mm ammunition. Poloff inspected individual cartridges, boxes of cartridges, and cases of boxes during the visit. Individual rounds displayed only "Remington .223". On the boxes was printed only "223 Remington 55 GR MC L223R3", in addition to brand markings. The cases in which those boxes were shipped (some cases remained in Armaq's warehouse awaiting shipment) were marked similarly. Nowhere on any of the subject rounds or its packaging did poloff see any mention of 5.56mm ammunition.

¶4. (SBU) Guerra provided poloff with a variety of documents including purchase orders, Government of Peru customs documents, copies of applicable Peruvian law, and invoices showing the disposition of the cartridges. Poloff has pouched all such documents, including photos of the ammunition packaging, to PM/DTCC. According to Guerra, Armaq sold some 95 percent of the 80,000 subject rounds to four well-known Peruvian security firms. The remaining product went to individuals licensed by the GOP to buy them.

¶5. (SBU) The appearance of "5.56mm" on the original export license request appears to arise from the view of Armaq, the Peruvian Government (GOP), and other sources that .223 caliber and 5.56mm rounds are one and the same. Guerra provided poloff with several sources of information including Peruvian Government regulations to demonstrate the point. Without entering into a technical debate on the point, poloff

suggested that Armaq in the future specify only ".223 caliber" (as opposed to ".223 caliber/5.56mm") in its purchase orders and import license requests, so as to avoid further confusion. Company representatives agreed to do so, but recommended USG notification to foreign governments and importers that U.S. law prohibits export of 5.56mm rounds. Poloff undertook to pass this request to relevant USG officials and does so by means of this message.

MCKINLEY